

CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY



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Bill Type and Number: Ordinance 2025-506

Introducer/Sponsor(s): Council President at the request of the Mayor

Date of Introduction: July 22, 2025

Committee(s) of Reference: F

Date of Analysis: July 21, 2025

Type of Action: Authorizing execution of indigent care funding agreements with Shands Jacksonville Medical Center and Florida Agency for Health Care Administration

Bill Summary: The bill authorizes the execution of the annual letter of agreement among the City, Shands Jacksonville Medical Center, and the Florida Agency for Health Care Administration for payment of the City's indigent care contribution of \$56,000,000 to Shands Jacksonville and for the use of some or all of those funds to leverage the State's Intergovernmental Transfer (IGT) and the federal government's "disproportionate share" Medicaid funds to increase the amount of funding available for indigent care purposes.

Background Information: This legislation authorizes the City of Jacksonville to allocate \$56,000,000 in health care funds for FY 25-26. The funds are to be distributed through two agreements (1) a funding agreement between the City and Shands Jacksonville Medical Center, Inc. to support health care services, and (2) letters of agreement between the City and the State of Florida through its Agency for Health Care Administration to facilitate participation in the Low Income Pool (LIP) and Medical Hospital Program. The City will transfer funds to the State contingent upon confirmation that other counties and governmental entities are also participating in the intergovernmental transfer program. Any amendments to the agreements must be reviewed and approved by the Office of General Counsel, and no amendment shall increase the City's total financial liability.

Policy Impact Area: Indigent care funding

Fiscal Impact: The City of Jacksonville and Shands Jacksonville agree that payment by the City of Jacksonville of its 2025-2026 indigent care appropriation in the amount not to exceed \$56,000,000 shall be made by: (i) paying \$27,546,542.65 to Shands Jacksonville upon receipt of invoice; and (ii) paying \$28,453,457.35 directly to the State of Florida, under the terms of the Letters of Agreement between the State and the City (\$22,000,000.00 for LIP and \$6,453,457.35 for DSH) (the "State Agreements") for use in the State of Florida's Medicaid hospital program for the fiscal year 2025-2026.

To the extent that the State of Florida is unable to utilize any portion of this amount in its Medicaid hospital program for the fiscal year 2025-2026, the City of Jacksonville shall make a payment of the balance of appropriated funds directly to Shands Jacksonville. Said payments shall satisfy the City of Jacksonville's payment obligation of appropriated funds, if any, to Shands Jacksonville under the Indigent Care Agreement.

Analyst: Jimenez